



GENERAL NOTICE

SOLAR PV ROOFTOP RENTAL/LEASE AGREEMENTS

Over the past few years, many homes and business owners considered the installation of alternative forms of electricity generation facilities and connecting them to their utility's electrical network. These facilities are intended to reduce the amount of energy purchased from the utility as well as providing some environmental benefits.

As of late, Namibia has seen an increase in the number of service providers that offer equipment rental/lease agreements for solar PV rooftop systems to their customers subject to the payment of a fixed rental amount per month for the duration of the rental/lease agreement. The rental agreement could be either a pure rental agreement or a rent-to-own agreement.

The ECB has always been concerned that the rental/lease for the solar equipment should not be linked to the units sold, which could be regarded as selling electricity for which a generation licence is required under section 17 of the Electricity Act of 2007. Some of the rental agreements provide for the adjustment of the rental based on the performance of the plant. The ECB is of the view that such adjustment of the rental amounts to the selling of electricity, which is not authorized under section 17 of the Electricity Act without the requisite generation or supply licence.

The ECB therefore clarified the matter in a stakeholder consultation meeting held on 1 July 2022. A meeting resolution was that the ECB should make a ruling that is fair to all parties concerned, which does not stifle innovation in the industry, and which is applicable to all future sellers of rooftop systems and rooftop rental/lease service providers.

The ECB proposes that a general exemption from the licensing requirement with conditions be issued to address the rental of solar rooftop systems where the rental amount is adjusted for the performance of the rooftop system.

Stakeholders are invited to provide their inputs on the ruling and the proposed wording of the exemption, and the conditions attached thereto. Written inputs must be submitted on or before 15 November 2022 to the Licensing Officer, Mr Gideon Nasima, at gnasima@ecb.org.na.

For further information please contact Mr. Nasima via email gnasima@ecb.org.na or phone 061 374 300.

 No 35 Dr. Theo-Ben Gurirab Street, Klein Windhoek.

Business Hours: Weekdays from 07:30 - 16:30

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